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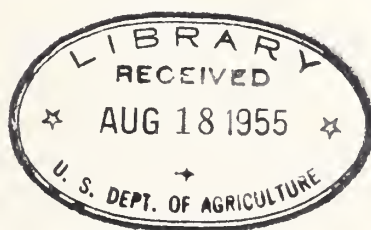
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X WOOL AND WOOL TOP FUTURES:

✓ A Survey of Open Contracts on the
Wool Associates of the New York Cotton Exchange, Inc.,
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October 29, 1954 X



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Commodity Exchange Authority
5a Washington/25, D. C.

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Washington 25, D. C.

Wool and Wool Top Futures: A Survey of Open Contracts on the
Wool Associates of the New York Cotton Exchange, Inc.,
October 29, 1954

Foreword

Wool was placed under the Commodity Exchange Act by an act of Congress approved by the President on August 28, 1954. Under this legislation the provisions of the Commodity Exchange Act were made applicable to wool as of October 27, 1954.

One of the first steps taken under the new regulatory program was to get the positions of all traders in the wool futures market. This was done by a complete survey of the positions in wool futures as of Friday, October 29, 1954. This survey, giving a complete cross section and the composition of the wool market, provides a point of reference at the inception of regulation of trading in wool futures under the Commodity Exchange Act.

The trading in wool futures is conducted on only one exchange in the United States--the Wool Associates of the New York Cotton Exchange, Inc. This is also the contract market for futures trading in wool tops, a semimanufactured product of wool. The market in wool tops was started in 1931, and wool tops were placed under the Commodity Exchange Act in 1938, prior to the beginning of trading in wool futures.

The survey of October 29, 1954, covers both the wool and wool top futures markets. It provides information on the number of traders,

the relative size of their positions, the amount of speculative as compared with hedging positions, and data on the geographical location and occupations of persons holding positions in wool and wool top futures.

The following report gives for the first time a full picture of the composition of the closely related wool and wool top futures markets. With the addition of wool to the Commodity Exchange Act, the Commodity Exchange Authority now obtains comprehensive data on both wool and wool top futures for regulatory purposes, and is able to present basic information to the trade and the public concerning the two markets and their interrelated use in the marketing of wool and wool products.

⁵⁰
March 1955

RODGER R. KAUFFMAN
Administrator

Wool and Wool Top Futures: A survey of Open Contracts on the
Wool Associates of the New York Cotton Exchange, Inc.,
October 29, 1954

A cross-section survey of the open contracts of all traders in the wool futures market was made as of Friday, October 29, 1954. This survey, made two days after the effective date of the amendment which added wool to the commodities covered by the Commodity Exchange Act, provides basic factual data for market supervision. The survey also includes similar data on wool top futures.

The Wool Associates of the New York Cotton Exchange, Inc., is the only commodity exchange conducting futures trading in wool and wool tops. Wool and wool products are important commodities in international trade, and there are also futures markets in wool tops, though not in wool, in Antwerp, London, and Roubaix-Tourcoing, France.

The wool top futures market in New York is older than that in wool futures. Trading in wool tops began in May 1931, and in wool in March 1941. Wool tops were added to the commodities under the Commodity Exchange Act in 1938, prior to the inauguration of trading in wool futures.

On the date of the survey the wool futures market was somewhat smaller than the wool top market, although in most recent years the two markets have been approximately the same size. Comparative data on the growth of trading volume and open contracts in the two commodities are presented in table 1 at the end of this report.

The information for the October 1954 survey was reported pursuant to a formal "call" by the Commodity Exchange Authority on all futures commission merchants. They were called upon to furnish the name, address, occupation, and the amount of open contracts of each trader on their records in wool and in wool top futures on the Wool Associates of the New York Cotton Exchange, Inc., and their classification of the open contracts, that is, whether speculative (including straddling) or hedging.

The survey gave comprehensive information on the size of traders' positions, the extent of hedging, the number and size of speculative accounts, and the distribution of traders by geographic location and by occupation. Summary data from the survey are given in this report. Because of the interrelationship between the wool and wool top markets, additional information on traders with positions in both markets is included.

Total Open Contracts and Number of Traders^{1/}

The survey of October 29, 1954, showed total open contracts in wool futures of 10,230,000 pounds, held by 315 traders. There were 380 traders in the wool top market, with open contracts of 13,720,000 pounds.

Total open contracts shown by complete market surveys include positions of ultimate customers on the books of exchange clearing members and also those of customers of nonclearing brokers. The

^{1/} A trader with accounts with more than one futures commission merchant or controlling accounts of another person was counted but once.

figures are generally larger than the open contracts reported by clearing members, since certain clearing members carry "omnibus" accounts of nonclearing brokers on a net rather than a gross basis. The difference between open contracts reported in the present survey and those reported by clearing members was unusually small, amounting to less than half of one percent in each commodity.

Classification of Open Contracts^{2/}

Of the 315 traders in wool futures, 245, or 77.8 percent, held open contracts (also referred to as positions) classified as speculative by the futures commission merchants. Such positions amounted to 6,318,000 pounds on the long side of the market and 3,852,000 pounds on the short side, and represented 61.8 percent and 37.7 percent, respectively, of the total open contracts in wool futures.

In wool tops, of the total of 380 traders, 295, or 77.6 percent, held long positions classed as speculative amounting to 9,070,000 pounds, or 66.1 percent of the total open contracts. Short positions in wool tops classed as speculative totaled 3,410,000 pounds, or 24.9 percent of the open contracts.

There were 70 traders in wool and 85 traders in wool tops whose positions were classed as hedging. In the wool market hedging positions

^{2/} Classification of open contracts in this survey is that reported by futures commission merchants. A few relatively minor changes in classification were made by the CEA on the basis of information on other reports made directly by traders to the CEA under its regular reporting system. The terms "speculative," "hedging," "speculators," or "hedgers" used in this report refer to the classification of open contracts as reported by futures commission merchants.

accounted for 3,912,000 pounds on the long side and 6,378,000 pounds on the short side, or 38.2 percent and 62.3 percent, respectively, of the open contracts. In wool tops, commitments classed as hedging amounted to 4,650,000 pounds on the long side and 10,310,000 pounds on the short side, or 33.9 percent and 75.1 percent, respectively, of the open contracts.

In both the wool and wool top markets these data show that speculative accounts predominated in number and their commitments were preponderantly long. Hedging accounts were fewer in number with positions mostly on the short side. On balance, therefore, speculative commitments were on the long side and hedging commitments on the short side in both markets. This pattern of commitments is a familiar one in most futures markets under normal conditions.

The data on classification are shown in tabular form below:

Classification	Number of traders	Positions (1,000 pounds)		Percent		
		Long	Short	No. of traders	Long	Short
WOOL						
Speculative Hedging	245	6,318	3,852	77.8	61.8	37.7
	70	3,912	6,378	22.2	38.2	62.3
Total	315	10,230	10,230	100.0	100.0	100.0
WOOL TOPS						
Speculative Hedging	295	9,070	3,410	77.6	66.1	24.9
	85	4,650	10,310	22.4	33.9	75.1
Total	380	13,720	13,720	100.0	100.0	100.0

Distribution of Open Contracts by Size and Class of Position

Tables 2 and 3 appearing at the end of this report give for wool and wool top futures, respectively, a breakdown showing the number of traders having positions in specified size groups, and the total positions of traders in each size group. The data are shown separately for traders classified as speculators and for those classified as hedgers.

A further division is reflected in these tables based on the aggregate position of each trader in all futures combined: (1) "Traders Net Long" representing those traders whose positions were long only and those traders whose positions were predominantly long, (2) "Traders Net Short" comprising those traders whose positions were short only and those whose positions were predominantly short, and (3) "Traders Even" covering those traders whose long and short positions in all futures were exactly in balance.

From table 2 it may be seen that in wool futures 142 traders classed as speculators who were long only or net long held a long position of from 6,000 to 24,000 pounds each. In wool futures the contract is 6,000 pounds. The aggregate or gross positions of these 142 traders were 1,614,000 pounds long and 24,000 pounds short. It is also evident from table 2 that a large proportion of the speculative positions was held by numerous small traders with less than 150,000 pounds each. The figures in the total columns, for example, show that 241 speculators in the three smallest size classes held 4,662,000 pounds on the long side, or 73.8 percent of long speculative positions in wool and 2,382,000 pounds, or 61.8 percent of the short speculative positions.

The proportion of total speculative positions in wool tops held by small traders was less than in wool. In wool top futures the smallest size class shown in table 3 is for traders with positions of from 5,000 to 20,000 pounds each, as the contract is 5,000 pounds. The 283 speculators in the three smallest size classes (less than 125,000 pounds per trader) held only 59.7 percent of long speculative positions and 41.6 percent of short speculative positions.

Hedging positions in both wool and wool tops were held mostly by large traders. In wool 56.0 percent of long hedging commitments and 84.2 percent of short hedging positions were held by the 13 largest traders, with positions of 150,000 pounds or over. In wool tops 17 traders holding 125,000 pounds or over had gross positions amounting to 61.0 percent of total long hedging commitments and 91.5 percent of total short hedging commitments.

Classification of Open Contracts by Futures

As of October 29, 1954, 5,124,000 pounds, or approximately 50 percent of the total open contracts in wool futures, and 6,025,000 pounds, or 44 percent of all open contracts in wool top futures were in the two remaining futures (December 1954 and March 1955) of the 1954-55 clip year. All other open contracts were in futures maturing in the 1955-56 clip year.

Positions classed as speculative and hedging in each future for wool and wool tops are shown as follows:

(In thousands of pounds)						
Future	Speculative		Hedging		Total open contracts	
	Long	Short	Long	Short	Long	Short
WOOL						
December 1954	654	444	1,182	1,392	1,836	1,836
March 1955	1,680	1,308	1,608	1,980	3,288	3,288
May 1955	1,692	516	594	1,770	2,286	2,286
July 1955	810	552	120	378	930	930
October 1955	546	330	78	294	624	624
December 1955	696	480	246	462	942	942
March 1956	240	222	84	102	324	324
Total	6,318	3,852	3,912	6,378	10,230	10,230
WOOL TOPS						
December 1954	1,780	120	685	2,345	2,465	2,465
March 1955	2,145	1,035	1,415	2,525	3,560	3,560
May 1955	2,010	785	1,355	2,580	3,365	3,365
July 1955	1,855	1,065	645	1,435	2,500	2,500
October 1955	725	125	390	990	1,115	1,115
December 1955	425	250	100	275	525	525
March 1956	130	30	60	160	190	190
Total	9,070	3,410	4,650	10,310	13,720	13,720

In wool, except for the December 1954 future, speculators' positions in each future accounted for a majority of total long contracts. As of October 29, 1954, long positions of hedgers constituted nearly 65 percent of total long contracts in the nearby December 1954 future, and nearly 50 percent in the March 1955 future, but only about one-fourth or less in each of the later maturing futures. Relatively large long hedging positions in nearby futures are often found in futures markets with "inverted" prices (premiums on near futures), such as existed in wool futures on the survey date. This pattern of hedging

positions was not reflected in wool top futures, although prices of top futures were also inverted.

On the short side of most of the wool top futures, hedging positions made up a majority of the total short contracts. The more deferred contracts in wool, however, provided an exception to the usual market pattern in which hedging positions constitute the larger part of total short commitments.

Geographic Distribution

Table 4 shows that wool traders were located in 24 States, the District of Columbia and 8 foreign countries. In number and amount of positions, speculative traders in wool were largely concentrated in two States -- New York and Massachusetts. Most of these in turn were located in the cities of Boston and New York. Positions of speculators in Illinois were also relatively important. Hedgers in wool futures were largely located in one place--Boston, Massachusetts--with short positions in New York City and Rhode Island of some importance.

Table 5 gives the geographic distribution of traders in wool top futures. They were located in 29 States and 13 foreign countries. Speculative traders in wool tops were more widely distributed as to location than those in wool. Leading States from the standpoint of number of speculators or amount of positions included Massachusetts, New York, California, Florida, Pennsylvania, and Tennessee. The bulk of the hedging interest in wool tops was located in Massachusetts, Rhode Island, and South Carolina. There was also a sizable hedging interest held by traders located in England.

Occupations of Traders

Tables 6 and 7 show the broad occupational categories of traders with positions in wool and wool top futures.

In wool futures 28 wool dealers and merchants who were classified as speculators held substantial positions on both the long and short sides of the market, as shown in table 6. Traders connected with the wool trade, such as dealers in noils, waste, yarn, and fabrics, importers and exporters of wool and wool products, topmakers, woolen and knitting mills, and manufacturers of fabrics and clothing, together with wool dealers and merchants, held 1,248,000 pounds, or 20 percent of total long speculative positions, and 1,290,000 pounds, or 33 percent of total short speculative positions. These traders connected with the wool industry, employees of firms in the trade, and traders falling in the general classification group of futures commission merchants (brokerage firms) and employees of such firms, floor traders, and professional speculators had approximately equal long and short speculative positions. Substantial long speculative positions were held by traders shown in the general occupational classification of manufacturers and wholesalers not in the wool business, capitalists, financiers, and bankers, but their short speculative positions were relatively unimportant. Hedging commitments in wool were almost entirely those of wool dealers and merchants and of topmakers.

In wool tops, as shown in table 7, the long positions of the 42 traders in the industry classified as speculators were somewhat larger

than their short positions. Positions of employees of firms in the trade and traders in the occupational classification of brokerage firms and employees, floor traders, and professional speculators, were heavily long on balance in contrast to their positions in wool. Large long speculative positions were also held by the occupational group including manufacturers and wholesalers not in the wool trade, capitalists, financiers, and bankers. Most of the hedging positions in wool tops were held by topmakers, wool dealers and merchants, and worsted mills.

In terms of numbers, housewives were one of the larger categories, and held sizable speculative positions in both the wool and wool top markets.

Traders in Both Markets and in One Market Only

The survey of October 29, 1954, covering both wool and wool top futures, for the first time makes possible an analysis of traders with positions in both markets as compared with those holding positions in wool or wool tops only. It was found that 115 traders had positions in both markets. While these traders were considerably fewer in number than those holding a position in only one market, they held approximately 80 percent of the short positions in both wool and wool tops and a very substantial part of the long positions in each of the two markets.

The following tabulation shows the aggregate positions of the 115 traders operating in both markets compared with those with positions

in only wool or wool tops, with a further breakdown between speculators and hedgers.

(Positions in thousands of pounds)

Class	No. of trad-ers	Wool	
		Positions	
		Long	Short
<u>Speculators</u>			
Both mkts.	80*	3,456	3,216
Wool only	165	2,862	636
Total	245	6,318	3,852
<u>Hedgers</u>			
Both mkts.	35*	2,700	4,998
Wool only	35	1,212	1,380
Total	70	3,912	6,378
<u>All traders</u>			
Both mkts.	115	6,156	8,214
Wool only	200	4,074	2,016
Total	315	10,230	10,230

Class	No. of trad-ers	Wool tops	
		Positions	
		Long	Short
<u>Speculators</u>			
Both mkts.	83*	4,075	2,745
Tops only	212	4,995	665
Total	295	9,070	3,410
<u>Hedgers</u>			
Both mkts.	32*	1,895	8,000
Tops only	53	2,755	2,310
Total	85	4,650	10,310
<u>All traders</u>			
Both mkts.	115	5,970	10,745
Tops only	265	7,750	2,975
Total	380	13,720	13,720

*Three traders who had positions in both markets were classified as speculators in wool tops but as hedgers in wool.

From the above tabulation it may be seen, for example, that the 80 speculators who operated in both markets had total positions in wool futures of 3,456,000 pounds long and 3,216,000 pounds short. These holdings were larger than the positions held by the 165 speculators who had positions only in wool futures.

The most important connections between the wool and the wool top futures markets are reflected in the short positions of hedgers operating in both markets. The 35 hedgers in wool who also had positions in wool tops held aggregate short positions in wool of 4,998,000 pounds, or 78 percent of the total short wool hedging positions of 6,378,000 pounds. In wool tops, the 32 hedgers with positions in both markets

held short wool top positions of 8,000,000 pounds, which was also 78 percent of total short hedging positions in wool tops.

Patterns of Positions of Traders in Both Markets

The 115 traders who were in both wool and wool top futures on October 29, 1954, had various position patterns, as shown in the tabulation below. Traders who were short only or net short in both wool and wool top futures had the largest aggregate positions. There were 14 traders with this pattern, holding aggregate short positions of 4,218,000 pounds in wool and 5,350,000 pounds in wool tops. The short positions of these 14 traders were approximately half of the total short positions of the 115 traders operating in both markets, amounting to 8,214,000 pounds and 10,745,000 pounds in wool and wool tops, respectively. More than three-fourths of the short positions of the 14 traders were classified as hedging.

A larger number of traders (37) held long or net long positions in both markets, and the larger portion of these long positions were speculative.

Pattern of position ^{1/}	Number of traders	(Positions in thousands of pounds)			
		Aggregate positions			
		Wool		Wool tops	
		Long	Short	Long	Short
Long in both markets	37	2,004	192	1,675	505
Short in both markets	14	966	4,218	475	5,350
Long wool - short wool tops	10	1,788	954	665	3,190
Short wool - long wool tops	37	330	1,782	1,945	490
Even in each market	17	1,068	1,068	1,210	1,210
Total	115	6,156	8,214	5,970	10,745

^{1/} A few traders who held equal long and short positions in one market, but not in the other, were classified on the basis of their position in the other market. For example, a trader net long wool and with even positions in wool tops was included with traders who were net long in both markets.

In contrast to the traders described above who were on the same side in both markets, a number of traders were long wool and short wool tops, or vice versa. There were 10 traders who had long or net long positions in wool futures and short or net short positions in wool top futures. These positions were mainly those of hedgers. Thirty-seven traders, most of whom were speculators, had just the opposite position pattern--short wool futures and long wool tops. The sum of the long and short positions of the 37 traders who were short wool and long wool tops was less than the combined positions of the 10 traders who were long wool and short wool tops.

Another type of position pattern is indicated by the 17 traders who had exactly equal long and short positions in each of the two markets. The positions of 1,068,000 pounds in wool consisted entirely, of course, of straddles between different wool futures, and similarly the positions of 1,210,000 pounds in wool tops represented straddles between various wool top futures.

Distribution of Accounts Among Futures Commission Merchants

The number of accounts reported by futures commission merchants is ordinarily somewhat larger than the actual number of traders in a futures market survey. An individual trader may own or control more than one account on the books of a particular futures commission merchant, and may have accounts with more than one futures commission merchant. In all the tables in this report, except the one in this section, all accounts and positions owned or controlled by an individual trader have been combined. In the tabulation in this section the data shown are for accounts and not traders.

On October 29, 1954, accounts with open positions in wool futures were carried on the books of 42 futures commission merchants. Twelve commission firms carried only one account each, and the long positions carried on their books totaled only 204,000 pounds on the long side and 54,000 pounds on the short side. Thirteen firms which had from 2 to 4 accounts per firm carried a total of 34 accounts, with aggregate positions of 1,146,000 pounds long and 906,000 pounds short. In contrast to this wide dispersion of accounts and positions, four futures commission merchants had 25 or more accounts per firm. These four firms carried more than half of the positions on both the long and the short side of the market.

A similar picture was reflected in wool tops. Twenty-two firms carried only one account each, while three firms with 35 or more accounts each carried 238 accounts and approximately half of both the long and short open contracts in wool tops, as shown in the following table:

Accounts per firm	Firms	Total accounts	Aggregate positions	
	<u>Number</u>	<u>Number</u>	<u>Long</u> 1,000 pounds	<u>Short</u> 1,000 pounds
WOOL				
1	12	12	204	54
2 - 4	13	34	1,146	906
5 - 9	9	65	2,430	2,454
10 - 24	4	69	1,134	972
25 and over	4	196	5,316	5,844
Total	42	376	10,230	10,230
WOOL TOPS				
1	22	22	1,015	555
2 - 4	15	42	1,230	575
5 - 9	8	51	1,940	735
10 - 24	6	93	2,825	4,080
25 and over	3	238	6,710	7,775
Total	54	446	13,720	13,720

Comparison of Wool Top Futures With Previous Surveys

Summary data on speculative and hedging positions in wool top futures from the survey of October 29, 1954, are compared with similar data from the most recent prior survey of this market made on August 30, 1950, in the following tabulation:

Classification	Traders		Positions			
	Number	Percent	Amount (1,000 lb.)		Percent	
			Long	Short	Long	Short
OCTOBER 29, 1954						
Speculative	295	77.6	9,070	3,410	66.1	24.9
Hedging	85	22.4	4,650	10,310	33.9	75.1
Total	380	100.0	13,720	13,720	100.0	100.0
AUGUST 30, 1950						
Speculative	243	78.9	4,440	1,430	69.0	22.2
Hedging	65	21.1	1,995	5,005	31.0	77.8
Total	308	100.0	6,435	6,435	100.0	100.0

Total open contracts in the 1954 survey were more than double the open contracts on August 30, 1950, but the pattern of speculative and hedging positions was almost identical. In both surveys, speculative positions constituted approximately two-thirds of total long contracts, while hedging commitments were approximately three-fourths of total short commitments. The total number of traders on August 30, 1950, was only about 20 percent less than on October 29, 1954, although open contracts were less than half as large as in the more recent survey.

In table 8, similar data are given for three additional surveys of the postwar period: July 31, 1950, March 18, 1949, and March 16, 1949. The wool top futures market in 1949 and 1950 had not yet regained the size attained immediately prior to World War II, and was much smaller than in 1954, as may be seen from table 1 of this report.

For firms in the principal occupational classes in the wool trade, and for all traders in the market, data on total number of traders and total positions in wool top futures from a much earlier survey of June 30, 1938,^{3/} are fairly comparable with data from the 1954 survey, although the breakdown between speculative and hedging positions, and the groupings for occupational classes outside of the wool trade, are not comparable as between the two surveys. For comparability the data for dealers on October 29, 1954, in the tabulation below are for the combined groups shown as wool dealers and merchants and as dealers in wool products, importers and exporters, shown in table 7 of this report. The data for mills and clothing manufacturers are also combined in the following tabulation:

Occupational group	(Positions in thousands of pounds)					
	June 30, 1938			October 29, 1954		
	No. of traders	Positions		No. of traders	Positions	
		Long	Short		Long	Short
Dealers	64	2,720	2,790	75	4,195	3,830
Topmakers	12	1,510	5,385	19	1,020	6,390
Subtotal	76	4,230	8,175	94	5,215	10,220
Mills	42	2,385	125	29	1,015	1,205
Subtotal	118	6,615	8,300	123	6,230	11,425
All other traders	100	1,985	300	257	7,490	2,295
Total open contracts	218	8,600	8,600	380	13,720	13,720

The above tabulation shows that on October 29, 1954, dealers and topmakers in the wool top futures market were greater in number and had larger aggregate positions than on June 30, 1938. In October 1954,

^{3/} Trading in Wool Top Futures, Circular No. 604, U. S. Department of Agriculture, page 22.

dealers and topmakers also held substantial positions in wool futures, while there was no futures market in wool in 1938. It is evident that firms in these two major occupational classes in the wool trade are now making substantially greater use of futures markets than in 1938.

On the other hand, the combined long and short positions of woolen and worsted mills and manufacturers of fabrics and clothing indicate relatively little change in their use of the wool top futures markets in 1954 as compared with 1938, and this group had only small positions in wool futures in 1954.

Data for principal occupational classes in the wool trade, and all other traders, from the four surveys in 1949 and 1950 are shown in table 9. This table also gives data from the earliest survey of the wool top futures market made by the Commodity Exchange Authority as of August 31, 1936, before the market had attained any considerable size.

The information on the seven market-wide surveys of wool top futures given on page 16 and in table 9 shows that at the time of the 1954 survey there was a larger number of traders and a greater use of the top futures market by the wool trade than on any previous survey date.

With respect to wool futures, comprehensive information on the total number of traders and the composition of the market is not available prior to the 1954 survey. An indication of the growth of the wool market, as well as the wool top market, may be seen in the annual data on volume of trading and open contracts, as shown in table 1.

The wool top market had attained substantial size when World War II began, but the top market was materially restricted during the wartime

period, and the newly organized market for wool was even more affected. In the immediate postwar period reviving activity in both wool and wool top futures was on an approximately equal basis. During the past four years trading and open contracts in both markets have been maintained at much more substantial levels than in previous periods.

Table 1.--Wool and wool top futures, Wool Associates of the New York Cotton Exchange, Inc.: Total volume of trading and average month-end open contracts, by years beginning April 1, 1937 - 1954

Year beginning April 1	(In thousands of pounds)			
	Volume of trading 1/		Open contracts 1/	
	Wool	Wool tops	Wool	Wool tops
1937	---	49,275	---	4,650
1938	---	68,045	---	7,165
1939	---	144,405	---	9,574
1940	2/ 2,916	161,695	2/ 1,332	8,817
1941	28,794	54,215	2,418	4,427
1942	3,744	38,265	282	3,814
1943	3,636	39,075	418	4,151
1944	8,502	43,045	1,038	4,750
1945	16,224	37,685	2,511	5,635
1946	26,186	20,015	5,566	4,399
1947	35,514	28,675	4,683	4,121
1948	42,330	49,950	4,172	5,234
1949	33,198	43,910	2,866	4,806
1950	59,412	72,710	5,464	5,933
1951	264,454	156,405	15,756	11,259
1952	202,398	165,045	17,051	15,605
1953	89,004	93,180	8,018	10,418
1954 3/	113,376	123,635	10,533	13,549

1/ Data for wool prior to October 27, 1954, and for volume of trading in wool tops prior to August 1, 1938, obtained from Wool Associates of the New York Cotton Exchange, Inc. Open contracts in wool tops prior to August 1, 1938, from CEA survey.

2/ Trading in wool began March 17, 1941.

3/ Through February 28, 1955.

Table 2.—Wool futures, Wool Associates of the New York Cotton Exchange, Inc.: Distribution of open contracts, by size and class of trader, October 29, 1954

(Positions in thousands of pounds)

Size group ^{1/} (1,000 pounds)	Traders net long			Traders net short			Traders even			Total		
	Number of Gross positions			Number of Gross positions			Number of Gross positions			Number of Gross positions		
	traders	Long	Short	traders	Long	Short	traders	Long	Short	traders	Long	Short
6 - 24	142	1,614	24	19	18	186	11	120	120	172	1,752	330
30 - 54	22	798	60	14	0	450	9	336	336	45	1,134	846
60 - 144	14	1,374	348	8	258	714	2	144	144	24	1,776	1,206
150 - 294	2	516	0	0	0	0	0	0	0	2	516	0
300 and over	0	0	0	1	588	918	1	552	552	2	1,140	1,470
Total	180	4,302	432	42	864	2,268	23	1,152	1,152	245	6,318	3,852

SPECULATIVE

HEDGING

6 - 24	16	222	0	6	0	66	2	48	48	24	270	114
30 - 54	9	306	0	3	12	96	5	150	150	17	468	246
60 - 144	8	816	102	7	96	474	1	72	72	16	984	648
150 - 294	2	426	24	2	0	432	1	180	180	5	676	636
300 and over	1	1,404	900	7	187	3,834	0	0	0	8	1,584	4,734
Total	36	3,174	1,026	25	288	4,902	9	450	450	70	3,912	6,378
Grand total	216	7,476	1,458	67	1,152	7,170	32	1,602	1,602	315	10,230	10,230

^{1/} In allocating each trader's position to a size group, the largest total long or short position in all futures was used; not the "net" of such long and short positions.

Table 3.--Wool top futures, Wool Associates of the New York Cotton Exchange, Inc.: Distribution of open contracts, by size and class of trader, October 29, 1954

(Positions in thousands of pounds)

Size group ^{1/} (1,000 pounds)	Traders net long			Traders net short			Traders even			Total		
	Number of traders	Gross positions		Number of traders	Gross positions		Number of traders	Gross positions		Number of traders	Gross positions	
		Long	Short		Long	Short		Long	Short		Long	Short
5 - 20	150	1,305	15	19	10	175	33	295	295	202	1,610	485
25 - 45	37	1,160	90	2	40	55	7	210	210	46	1,410	355
50 - 120	29	2,085	215	2	90	145	4	220	220	35	2,395	580
125 - 245	6	1,065	270	0	0	0	0	0	0	6	1,065	270
250 and over	3	1,470	390	1	275	485	2	845	845	6	2,590	1,720
Total	225	7,085	980	24	415	860	46	1,570	1,570	295	9,070	3,410

SPECULATIVE

HEDGING

5 - 20	14	165	5	13	0	170	0	0	0	27	165	175
25 - 45	16	490	10	2	0	70	1	25	25	19	515	105
50 - 120	14	985	15	5	0	435	3	150	150	22	1,135	600
125 - 245	2	315	10	1	0	245	0	0	0	3	315	255
250 and over	4	1,770	15	10	750	9,160	0	0	0	14	2,520	9,175
Total	50	3,725	55	31	750	10,080	4	175	175	85	4,650	10,310
Grand total	275	10,810	1,035	55	1,165	10,940	50	1,745	1,745	380	13,720	13,720

^{1/} In allocating each trader's position to a size group, the largest total long or short position in all futures was used; not the "net" of such long and short positions.

Table 4.--Wool futures, Wool Associates of the New York Cotton Exchange, Inc.:
Geographic distribution of open contracts, by class of trader, October 29, 1954

(Positions in thousands of pounds)

State or country	Speculators			Hedgers			Total		
	No. of traders	Positions		No. of traders	Positions		No. of traders	Positions	
		Long	Short		Long	Short		Long	Short
California	10	234	168	4	60	30	14	294	198
Colorado	1	6	0	---	---	---	1	6	0
Connecticut	1	0	12	---	---	---	1	0	12
Florida	7	114	42	---	---	---	7	114	42
Georgia	3	36	6	---	---	---	3	36	6
Illinois	3	624	552	2	18	6	5	642	558
Iowa	3	24	0	---	---	---	3	24	0
Louisiana	1	60	0	---	---	---	1	60	0
Massachusetts (excluding Boston)	18	306	546	2	66	0	20	372	546
Boston	40	1,176	1,440	41	3,072	4,524	81	4,248	5,964
Michigan	5	108	0	---	---	---	5	108	0
Missouri	---	---	---	1	12	0	1	12	0
Montana	1	30	0	1	54	0	2	84	0
New Jersey	8	180	48	---	---	---	8	180	48
New York (excluding New York City)	12	228	36	---	---	---	12	228	36
New York City	90	2,562	684	5	24	864	95	2,586	1,548
North Carolina	2	0	60	---	---	---	2	0	60
Ohio	1	12	0	---	---	---	1	12	0
Oregon	2	72	54	2	96	0	4	168	54
Pennsylvania	6	78	42	3	162	60	9	240	102
Rhode Island	2	12	42	4	150	678	6	162	720
Texas	9	120	0	---	---	---	9	120	0
Utah	1	6	0	1	6	0	2	12	0
Washington	2	12	0	1	30	0	3	42	0
Wisconsin	1	6	0	---	---	---	1	6	0
Wyoming	1	90	0	---	---	---	1	90	0
District of Columbia	4	36	0	---	---	---	4	36	0
Total United States	234	6,132	3,732	67	3,750	6,162	301	9,882	9,894
Argentina	---	---	---	1	0	36	1	0	36
Belgium	1	0	18	---	---	---	1	0	18
Canada	1	18	0	1	162	0	2	180	0
France	1	30	0	---	---	---	1	30	0
Lebanon	1	24	0	---	---	---	1	24	0
Mexico	3	84	60	---	---	---	3	84	60
Switzerland	3	30	30	1	0	180	4	30	210
Uruguay	1	0	12	---	---	---	1	0	12
Total foreign	11	186	120	3	162	216	14	348	336
Grand total	245	6,318	3,852	70	3,912	6,378	315	10,230	10,230

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Table 5.--Wool top futures, Wool Associates of the New York Cotton Exchange, Inc.:
Geographic distribution of open contracts, by class of trader, October 29, 1954

(Positions in thousands of pounds)

State or country	Speculators			Hedgers			Total		
	No. of traders	Positions		No. of traders	Positions		No. of traders	Positions	
		Long	Short		Long	Short		Long	Short
Alabama	3	30	0	---	---	---	3	30	0
Arkansas	2	30	0	---	---	---	2	30	0
California	17	250	10	---	---	---	17	250	10
Colorado	1	0	10	---	---	---	1	0	10
Connecticut	3	35	0	---	---	---	3	35	0
Florida	11	520	460	---	---	---	11	520	460
Georgia	3	35	10	---	---	---	3	35	10
Illinois	5	535	450	---	---	---	5	535	450
Indiana	1	5	0	---	---	---	1	5	0
Louisiana	8	250	15	---	---	---	8	250	15
Maine	1	10	0	---	---	---	1	10	0
Maryland	1	65	0	---	---	---	1	65	0
Massachusetts									
(excluding Boston)	35	1,365	810	6	140	80	41	1,505	890
Boston	35	1,155	935	27	2,395	6,655	62	3,550	7,590
Mississippi	1	30	0	---	---	---	1	30	0
Missouri	4	425	0	1	25	0	5	450	0
New Hampshire	1	15	0	2	100	0	3	115	0
New Jersey	7	75	10	1	45	0	8	120	10
New Mexico	1	5	0	---	---	---	1	5	0
New York (excluding New York City)	16	300	10	---	---	---	16	300	10
New York City	69	1,525	260	11	485	195	80	2,010	455
North Carolina	6	85	5	1	25	0	7	110	5
Ohio	2	55	50	---	---	---	2	55	50
Oregon	2	55	55	---	---	---	2	55	55
Pennsylvania	11	135	125	8	300	105	19	435	230
Rhode Island	8	265	70	8	305	1,810	16	570	1,880
South Carolina	1	5	0	2	120	990	3	125	990
Tennessee	6	770	0	2	20	0	8	790	0
Texas	4	35	35	---	---	---	4	35	35
Utah	1	90	0	1	25	0	2	115	0
Washington	2	45	45	---	---	---	2	45	45
Total United States	268	8,200	3,365	70	3,985	9,835	338	12,185	13,200
Belgium	4	35	5	---	---	---	4	35	5
Brazil	1	25	0	---	---	---	1	25	0
Canada	1	10	0	3	35	10	4	45	10
Cuba	1	10	0	---	---	---	1	10	0
England	---	---	---	9	445	375	9	445	375
France	1	45	0	---	---	---	1	45	0
Haiti	1	5	0	---	---	---	1	5	0
Hong Kong	1	5	0	---	---	---	1	5	0
Lebanon	1	15	0	---	---	---	1	15	0
Mexico	4	205	0	---	---	---	4	205	0
New Zealand	---	---	---	1	0	80	1	0	80
Switzerland	11	505	40	2	185	10	13	690	50
Uruguay	1	10	0	---	---	---	1	10	0
Total foreign	27	870	45	15	665	475	42	1,535	520
Grand total	295	9,070	3,410	85	4,650	10,310	380	13,720	13,720

Table 6.--Wool futures, Wool Associates of the New York Cotton Exchange, Inc.: Occupational distribution of open contracts, by class of trader, October 29, 1954

(Positions in thousands of pounds)

Occupational group	Speculators				Hedgers				Total			
	No. of traders	Positions		No. of traders	Positions		No. of traders	Long positions		No. of traders	Long positions	
		Long	Short		Long	Short		Amount	Percent		Amount	Percent
Wool dealers and merchants	28	990	1,122	48	2,844	3,828	76	3,834	37.5		4,950	48.4
Topmakers	1	102	---	13	726	2,484	14	828	8.1		2,484	24.3
Mills and clothing manufacturers	6	108	48	4	126	36	10	234	2.3		84	.8
Dealers in wool products and importers and exporters	4	48	120	2	120	30	6	168	1.6		150	1.5
Subtotal	39	1,248	1,290	67	3,816	6,378	106	5,064	49.5		7,668	75.0
Ranchers and farmers	11	252	84	3	96	---	14	348	3.4		84	.8
Employees of firms in wool trade	30	348	318	---	---	---	30	348	3.4		318	3.1
Brokerage firms and employees, floor traders, and professional speculators	16	978	912	---	---	---	16	978	9.6		912	8.9
Manufacturers and wholesalers (nonwool), capitalists, financiers, and bankers	43	1,350	198	---	---	---	43	1,350	13.2		198	2.0
Retailers, manufacturers' agents, and salesmen	23	228	102	---	---	---	23	228	2.2		102	1.0
Administrative personnel, sales managers, purchasing agents, etc.	11	480	126	---	---	---	11	480	4.7		126	1.2
Clerical employees, craftsmen, and service workers	13	204	168	---	---	---	13	204	2.0		168	1.6
Physicians, lawyers, engineers, and other professional occupations	18	168	120	---	---	---	18	168	1.6		120	1.2
Housewives	20	564	276	---	---	---	20	564	5.5		276	2.7
Retired	16	438	168	---	---	---	16	438	4.3		168	1.6
Miscellaneous and unknown	5	60	90	---	---	---	5	60	.6		90	.9
Subtotal	206	5,070	2,562	3	96	---	209	5,166	50.5		2,562	25.0
Total	245	6,318	3,852	70	3,912	6,378	315	10,230	100.0		10,230	100.0

Table 7.--Wool top futures, Wool Associates of the New York Cotton Exchange, Inc.: Occupational distribution of open contracts, by class of trader, October 29, 1954

Occupational group	(Positions in thousands of pounds)									
	Speculators				Hedgers				Total	
	No. of traders	Positions		No. of traders	Positions		No. of traders	Long positions		Short positions
		Long	Short		Long	Short		Amount	Percent	Amount
Wool dealers and merchants	27	805	810	35	2,875	3,015	62	3,680	26.8	3,825
Topmakers	2	435	390	17	585	6,000	19	1,020	7.4	6,390
Mills and clothing manufacturers	7	160	25	22	855	1,180	29	1,015	7.4	1,205
Dealers in wool products and importers and exporters	6	200	5	7	315	---	13	515	3.8	5
Subtotal	42	1,600	1,230	81	4,630	10,195	123	6,230	45.4	11,425
Ranchers and farmers	6	85	5	---	---	---	6	85	.6	5
Employees of firms in wool trade	35	700	310	---	---	---	35	700	5.1	310
Brokerage firms and employees, floor traders, and professional speculators	26	2,120	1,150	1	---	85	27	2,120	15.5	1,235
Manufacturers, wholesalers (nonwool), capitalists, financiers, and bankers	50	2,045	190	3	20	30	53	2,065	15.1	220
Retailers, manufacturers' agents, and salesmen	28	280	60	---	---	---	28	280	2.0	60
Administrative personnel, sales managers, purchasing agents, etc.	14	400	---	---	---	---	14	400	2.9	---
Clerical employees, craftsmen, and service workers	14	310	135	---	---	---	14	310	2.3	135
Physicians, lawyers, engineers, and other professional occupations	29	375	95	---	---	---	29	375	2.7	95
Housewives	26	535	70	---	---	---	26	535	3.9	70
Retired	18	400	155	---	---	---	18	400	2.9	155
Miscellaneous and unknown	7	220	10	---	---	---	7	220	1.6	10
Subtotal	253	7,470	2,180	4	20	115	257	7,490	54.6	2,295
Total	295	9,070	3,410	85	4,650	10,310	380	13,720	100.0	13,720

100.0

Table 8.--Wool top futures, Wool Associates of the New York Cotton Exchange, Inc.: Distribution of speculative and hedging positions in market surveys in 1954, 1950, and 1949

(Positions and open contracts in thousands of pounds)								
Date	Speculative			Hedging			Total	
	No. of trad-ers	Positions		No. of trad-ers	Positions		No. of trad-ers	Open con-tracts
		Long	Short		Long	Short		
Oct. 29, 1954	295	9,070	3,410	85	4,650	10,310	380	13,720
Aug. 30, 1950	243	4,440	1,430	65	1,995	5,005	308	6,435
July 31, 1950	130	1,930	750	52	2,095	3,275	182	4,025
March 18, 1949	127	2,615	2,525	63	2,805	2,980	190	1/5,505
March 16, 1949	144	3,375	2,710	64	2,520	3,185	208	5,895
Percentage								
Oct. 29, 1954	77.6	66.1	24.9	22.4	33.9	75.1	100.0	100.0
Aug. 30, 1950	78.9	69.0	22.2	21.1	31.0	77.8	100.0	100.0
July 31, 1950	71.4	48.0	18.6	28.6	52.0	81.4	100.0	100.0
March 18, 1949	66.8	48.2	45.9	33.2	51.8	54.1	100.0	100.0
March 16, 1949	69.2	57.3	46.0	30.8	42.7	54.0	100.0	100.0

1/ Total long contracts revealed by the survey were 5,420,000 pounds.

Table 9.--Wool top futures, Wool Associates of the New York Cotton Exchange, Inc.: Occupational distribution of firms in the wool trade in market surveys in 1950, 1949, and 1936

(Positions in thousands of pounds)						
Occupational group	No. of traders	Positions		No. of traders	Positions	
		Long	Short		Long	Short
AUGUST 30, 1950				JULY 31, 1950		
Dealers	53	1,025	2,560	39	705	1,980
Topmakers	12	625	2,310	9	725	1,105
Subtotal	65	1,650	4,870	48	1,430	3,085
Mills	18	505	530	15	730	225
Subtotal	83	2,155	5,400	63	2,160	3,310
All other traders	225	4,280	1,035	119	1,865	715
Total open contracts	308	6,435	6,435	182	4,025	4,025
MARCH 18, 1949				MARCH 16, 1949		
Dealers	45	1,370	1,280	43	1,215	1,490
Topmakers	14	790	1,775	12	630	1,765
Subtotal	59	2,160	3,055	55	1,845	3,255
Mills	20	900	230	20	865	245
Subtotal	79	3,060	3,285	75	2,710	3,500
All other traders	111	2,360	2,220	133	3,185	2,395
Total open contracts	190	5,420	5,505	208	5,895	5,895
AUGUST 31, 1936						
Dealers	13	375	385			
Topmakers	6	525	1,065			
Subtotal	19	900	1,450			
Mills	11	375	10			
Subtotal	30	1,275	1,460			
All other traders	28	380	195			
Total open contracts	58	1,655	1,655			

